GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:4046
ANSWERED ON:16.12.2002
PROCUREMENT OF ARECANUT
BISHNU PADA RAY

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the procurement of arecanut from Union Territory of Andaman and Nicobar Islands is done under MIS;

(b) if so, the terms of payment to the farmers and whether this has been followed strictly;

(c) if not, the reasons therefor;

(d) the actual quantity of arecanut procured upto end October 2002 from the growers of these Islands and value thereof, amount paid and balance, if any, yet to be paid to the growers;

(e) whether harvesting of fresh crop of arecanut has already commenced and there has been a persistent demand from the farmers to extend the MIS upto June 2003; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

a): Yes, Sir.

(b)&(c): The scheme is implemented by the Union Territory Administration/its designated agencies, the Andaman & Nicobar Cooperative Supply & Marketing Federation Ltd.(ANCOFED)and the Ellon Hinengo Ltd. (EHL).The terms & conditions of MIS as approved by the Central Government are as annexed.

(d): As per report received from NAFED, the Central Nodal Agency, a quantity of 756.73MTs of Arecanut was procured upto end of October, 2002. The total value of procured stock is Rs.4.16 crore. An amount of Rs.2.67 crore has been paid to the farmers and a balance of Rs.1.49 crore is payable to the farmers.

(e)&(f): As reported, harvesting of fresh crop has commenced but, so far no proposal for extension or fresh MIS has been received from the Union Territory of Andaman & Nicobar.

ANNEXURE

No.L-15016/26/2001-MPS
Government of India
Ministry of Agriculture
Department of Agri. & Coopn.

Krishi Bhavan, New Delhi.
Dated the 9th August, 2002.

To

The Commissioner (Agriculture),
Andaman and Nicobar Administration
Port Blair -744101 (Fax No.03192 - 33629)

Subject: Market Intervention Scheme (MIS) for procurement of arecanut in A&N Island during 2002-2003.

Sir,

I am directed to convey the approval of this Department for Market Intervention Scheme(MIS) for procurement of arecanut in A&N Islands during 2002-03 as given below:-

(i) The procurement of arecanut will be made at the Market Intervention Price (MIP) of Rs.55/- per kg.

(ii) A quantity of 3250 MTs will be purchased under MIS by the U.T designatedagencies. However, the procurement of arecanut will be made by the U.T. agency/agencies under the supervision of the central agency i.e. NAFEDwhich will supervise/coordinate the operations from procurement to final disposal with the U.T. agency/agencies.

(iii) The period of operation would be from the 01.6.2002 to 31.8.2002 extended up to 31.10.2002.

(iv) The market overhead expenses allowed for the above operation will be Rs.13.60 per kg. or actual expenses whichever is less.

(v) The procured quantity of arecanut by the procuring agency will be disposed at the maximum realizable rate to reduce the losses on Government account.

(vi) The losses in the above operation will be shared equally i.e. 50:50 basis between the Central Government and the State Government. The Government shall, however, bear its share of loss incurred in the market intervention operation up to an extent of 25% of the procurement cost or actual loss whichever is less.

(vii) Fair Average Quality (FAQ) only will be procured under the scheme.

(viii) Purchase centres/areas will be decided by the procuring agency in consultation with the U.T. Government.

(ix) The stocks will be purchased from the Cooperative Societies, farmers organizationsor directly from the farmers to eliminate the possibility of middleman taking advantage of the scheme.

(x) The procured stocks will be disposed of in the open market. If necessary this can also be sold to processing unit within the U.T.

(xi) The procuring agency will furnish the audited accounts to this Department through U.T. Government within the period of three months of the completion of the MIS operation.

(xii) In order to avoid recycling, the stock should not be sold in the same U.T. from where it has been procured till duration of MIS. However, if the prices are better it can also be sold locally also.

(xiii) The procuring agency/agencies will be required to submit expenditure statements on standardized formats for reporting expenses incurred on procurement, carrying and disposal.

(xiv) The U.T. Government/U.T. designated agency may furnish weekly reports indicating purchases made under the scheme and the ruling market prices to this Department regularly.

(xv) Under normal MIS, NAFED is paid 1.5% service charges on procurement value ofthe non-perishable commodities. However, in this operation, the actual operation being handled by the agency/agencies of the A&N Administration. The NAFEDwould be supervising/coordinating and helping in disposal of the stock. Thus, NAFED would be paid service charges @ 0.5% of the procurement value.

Sd/-

(P.Sampath)
Dy.Director (Cooperation)

Copy to:-

1. Resident Commissioner, Government of A&N Administration, Veer Tikendarajeet Marg, 12, Chanakyapuri, New Delhi-110021.

2. Managing Director, NAFED, Sidhartha Enclave, Ashram Chowk, New Delhi.

Copy also to:

1. PS to AM/MOS(A)

2. Sr. PPS to Secretary (A&C)

3. PPS to Special Secretary

4. PPS to AS(M)/JS(Coopn.)/ESA/Horticulture Commissioner

5. PS to AS & FA with reference to their diary No.1636/FA/2002 dated 7.8.2002